

*the majority bill  
on which committee  
has been working*

83<sup>d</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 6539

## IN THE HOUSE OF REPRESENTATIVES

JULY 27, 1953

Mr. MASON introduced the following bill; which was referred to the Committee on Ways and Means

## A BILL

To amend the Social Security Act to provide unemployment insurance for Federal civilian employees, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*  
3 That the Social Security Act, as amended, is further amended  
4 by adding after the title XIV thereof the following new title:  
5 "TITLE XV—UNEMPLOYMENT COMPENSATION  
6 FOR FEDERAL EMPLOYEES

7 "DEFINITIONS

8 "SEC. 1501. When used in this title—

9 "(a) The term 'Federal service' means any service  
10 performed after 1951 in the employ of the United States or

1 any instrumentality thereof which is wholly owned by the  
2 United States, except that the term shall not include (1)  
3 service performed by an elective officer in the executive or  
4 legislative branch of the Government of the United States,  
5 (2) service performed as a member of the Armed Forces  
6 of the United States, (3) service performed by foreign serv-  
7 ice personnel for whom special separation allowances are  
8 provided by the Foreign Service Act of 1946 (60 Stat. 999),  
9 (4) service performed prior to January 1, 1953, for the  
10 Bonneville Power Administrator if such service constitutes  
11 employment under section 1607 (m) of the Federal Unem-  
12 ployment Tax Act, or (5) service performed outside the  
13 United States by an individual who is not a citizen of the  
14 United States. For the purpose of clause (5) of this sub-  
15 section, the term 'United States' when used in a geographical  
16 sense means the States, Alaska, Hawaii, the District of  
17 Columbia, Puerto Rico, and the Virgin Islands.

18       “(b) The term 'Federal wages' means all remuneration  
19 for Federal service, including cash allowances and remuner-  
20 ation in any medium other than cash.

21       “(c) The term 'Federal employee' means an individual  
22 who has performed Federal service.

23       “(d) The term 'compensation' means cash benefits pay-  
24 able to individuals with respect to their unemployment

1 (including any portion thereof payable with respect to  
2 dependents).

3 “(c) The term ‘benefit year’ means the benefit year  
4 as defined in the applicable State unemployment compensa-  
5 tion law; except that, if such State law does not define  
6 a benefit year, then such term means the period prescribed  
7 in the agreement under this title with such State or, in  
8 the absence of an agreement, the period <sup>(3)</sup>prescribed by the  
9 Secretary.

10 “(f) The term ‘Secretary’ means the Secretary of Labor.

11 “COMPENSATION FOR FEDERAL EMPLOYEES UNDER STATE

12 AGREEMENTS

13 “SEC. 1502. (a) The Secretary is authorized on behalf  
14 of the United States to enter into an agreement with any  
15 State, or with the agency administering the unemployment  
16 compensation law of such State, under which such State  
17 agency (1) will make, as agent of the United States, pay-  
18 ments of compensation, on the basis provided in subsection  
19 (b) of this section, to Federal employees, and (2) will  
20 otherwise cooperate with the Secretary and with other State  
21 agencies in making payments of compensation under this  
22 title.

23 “(b) Any such agreement shall provide that compensa-  
24 tion will be paid by the State to any Federal employee, with

1 respect to unemployment after December 31, 1953, in the  
2 same amount, on the same terms, and subject to the same  
3 conditions as the compensation which would be payable  
4 to such employee under the unemployment compensation law  
5 of the State if the Federal service and Federal wages of such  
6 employee assigned to such State under section 1504 had been  
7 included as employment and wages under such law.

8 “(c) Any determination by a State agency with respect  
9 to entitlement to compensation pursuant to an agreement  
10 under this section shall be subject to review in the same  
11 manner and to the same extent as determinations under the  
12 State unemployment compensation law, and only in such  
13 manner and to such extent.

14 “(d) Each agreement shall provide the terms and  
15 conditions upon which the agreement may be amended or  
16 terminated.

17 “COMPENSATION FOR FEDERAL EMPLOYEES IN ABSENCE  
18 OF STATE AGREEMENT

19 “SEC. 1503. (a) In the case of a Federal employee  
20 whose Federal service and Federal wages are assigned under  
21 section 1504 to a State which does not have an agreement  
22 under this title with the Secretary, the Secretary, in accord-  
23 ance with regulations prescribed by him, shall, upon the  
24 filing by such employee of a claim for compensation under  
25 this subsection, make payments of compensation to him with

1 respect to unemployment after December 31, 1953, in the  
2 same amounts, on the same terms, and subject to the same  
3 conditions as would be paid to him under the unemployment  
4 compensation law of such State if such employee's Federal  
5 service and Federal wages had been included as employ-  
6 ment and wages under such law, except that if such em-  
7 ployee, without regard to his Federal service and Federal  
8 wages, has employment or wages sufficient to qualify for  
9 any compensation during the benefit year under the law of  
10 such State, then payments of compensation under this sub-  
11 section shall be made only on the basis of his Federal service  
12 and Federal wages.

13       “(b) In the case of a Federal employee whose Federal  
14 service and Federal wages are assigned under section 1504  
15 to Puerto Rico or the Virgin Islands, the Secretary, in ac-  
16 cordance with regulations prescribed by him, shall, upon  
17 the filing by such employee of a claim for compensation  
18 under this subsection, make payments of compensation to  
19 him with respect to unemployment after December 31,  
20 1951, in the same amounts, on the same terms, and subject  
21 to the same conditions as would be paid to him under the  
22 unemployment compensation law of the District of Columbia  
23 if such employee's Federal service and Federal wages had  
24 been included as employment and wages under such law,  
25 except that if such employee, without regard to his Federal

1 service and Federal wages, has employment or wages suf-  
2 ficient to qualify for any compensation during the benefit  
3 year under such law, then payments of compensation  
4 under this subsection shall be made only on the basis of his  
5 Federal service and Federal wages.

6 “(c) Any Federal employee whose claim for com-  
7 pensation under subsection (a) or (b) of this section has  
8 been denied shall be entitled to a fair hearing in accordance  
9 with regulations prescribed by the Secretary. Any final  
10 determination by the Secretary with respect to entitlement  
11 to compensation under this section shall be subject to review  
12 by the courts in the same manner and to the same extent  
13 as is provided in section 205 (g) of title II with respect  
14 to final decisions of the Administrator under such title.

15 “(d) The Secretary may utilize for the purposes of this  
16 section the personnel and facilities of the agencies in Puerto  
17 Rico and the Virgin Islands cooperating with the United  
18 States Employment Service under the Act of June 6, 1933  
19 (48 Stat. 113), as amended. For the purpose of payments  
20 made to such agencies under such Act, the furnishing of  
21 such personnel and facilities shall be deemed to be a part of  
22 the administration of the public employment offices of such  
23 agencies.

1 "STATE TO WHICH FEDERAL SERVICE AND WAGES ARE  
2 ASSIGNABLE

3 "SEC. 1504. In accordance with regulations prescribed  
4 by the Secretary, the Federal service and Federal wages of  
5 an employee shall be assigned to the State in which he had  
6 his last official station in Federal service prior to the filing  
7 of his first claim for compensation for the benefit year, except  
8 that—

9 "(1) if, at the time of the filing of such first claim,  
10 he resides in another State in which he performed, after  
11 the termination of such Federal service, service covered  
12 under the unemployment compensation law of such  
13 other State, such Federal service and Federal wages  
14 shall be assigned to such other State;

15 "(2) if his last official station in Federal service,  
16 prior to the filing of such first claim, was outside the  
17 United States, such Federal service and Federal wages  
18 shall be assigned to the State where he resides at the  
19 time he files such first claim; and

20 "(3) if such first claim is filed while he is residing  
21 in Puerto Rico or the Virgin Islands, such Federal  
22 service and Federal wages shall be assigned to Puerto  
23 Rico or the Virgin Islands.

1           “TREATMENT OF ACCRUED ANNUAL LEAVE

2           “SEC. 1505. For the purposes of this title, in the case of  
3 a Federal employee who is performing Federal service at  
4 the time of his separation from employment by the United  
5 States or any instrumentality thereof, (1) the Federal serv-  
6 ice of such employee shall be considered as continuing during  
7 the period, subsequent to such separation, with respect to  
8 which he is considered as having received payment of ac-  
9 cumulated and current annual or vacation leave pursuant  
10 to any Federal law, and (2) subject to regulations of the  
11 Secretary concerning allocation over the period, such pay-  
12 ment shall constitute Federal wages.

13                   “PAYMENTS TO STATES

14           “SEC. 1506. (a) Each State shall be entitled to be paid  
15 by the United States an amount equal to the additional cost  
16 to the State of payments of compensation made under and  
17 in accordance with an agreement under this title which  
18 would not have been incurred by the State but for the  
19 agreement.

20           “(b) In making payments pursuant to subsection (a)  
21 of this section, there shall be paid to the State, either in  
22 advance or by way of reimbursement, as may be determined  
23 by the Secretary, such sum as the Secretary estimates the  
24 State will be entitled to receive under this title for each  
25 calendar month, reduced or increased, as the case may be,



1 by any sum by which the Secretary finds that his estimates  
2 for any prior calendar month were greater or less than the  
3 amounts which should have been paid to the State. Such  
4 estimates may be made upon the basis of such statistical,  
5 sampling, or other method as may be agreed upon by the  
6 Secretary and the State agency.

7 “(c) The Secretary shall from time to time certify to  
8 the Secretary of the Treasury for payment to each State  
9 sums payable to such State under this section. The Secretary  
10 of the Treasury, prior to audit or settlement by the General  
11 Accounting Office, shall make payment to the State in ac-  
12 cordance with such certification, from the funds for carrying  
13 out the purposes of this title.

14 “(d) All money paid a State under this title shall  
15 be used solely for the purposes for which it is paid; and  
16 any money so paid which is not used for such purposes  
17 shall be returned, at the time specified in the agreement  
18 under this title, to the Treasury and credited to current  
19 applicable appropriations, funds, or accounts from which  
20 payments to States under this title may be made.

21 “(e) An agreement under this title may require any  
22 officer or employee of the State certifying payments or dis-  
23 bursing funds pursuant to the agreement, or otherwise partici-  
24 pating in its performance, to give a surety bond to the United  
25 States in such amount as the Secretary may deem necessary,

1 and may provide for the payment of the cost of such bond  
2 from funds for carrying out the purposes of this title.

3 “(f) No person designated by the Secretary, or desig-  
4 nated pursuant to an agreement under this title, as a certify-  
5 ing officer, shall, in the absence of gross negligence or intent  
6 to defraud the United States, be liable with respect to the  
7 payment of any compensation certified by him under this  
8 title.

9 “(g) No disbursing officer shall, in the absence of gross  
10 negligence or intent to defraud the United States, be liable  
11 with respect to any payment by him under this title if it was  
12 based upon a voucher signed by a certifying officer desig-  
13 nated as provided in subsection (f) of this section.

14 “(h) For the purpose of payments made to a State  
15 under title III, administration by the State agency of such  
16 State pursuant to an agreement under this title shall be  
17 deemed to be a part of the administration of the State un-  
18 employment compensation law.

19 “INFORMATION

20 “SEC. 1507. (a) All Federal departments, agencies,  
21 and wholly owned instrumentalities of the United States are  
22 directed to make available to State agencies which have  
23 agreements under this title or to the Secretary, as the case  
24 may be, such information with respect to the Federal service

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1 and Federal wages of any Federal employee as the Secretary  
2 may find practicable and necessary for the determination of  
3 such employee's entitlement to compensation under this title,  
4 “(b) The agency administering the unemployment  
5 compensation law of any State shall furnish to the Secretary  
6 such information as the Secretary may find necessary or  
7 appropriate in carrying out the provisions of this title, and  
8 such information shall be deemed reports required by the  
9 Secretary for the purposes of paragraph (6) of subsection  
10 (a) of section 303.

11 “PENALTIES

12 “SEC. 1508. Whoever makes a false statement or rep-  
13 resentation of a material fact knowing it to be false, or  
14 knowingly fails to disclose a material fact, to obtain or  
15 increase for himself or for any other individual any payment  
16 authorized to be paid under this title or under an agreement  
17 thereunder shall be fined not more than \$1,000 or imprisoned  
18 for not more than one year, or both.

19 “REGULATIONS

20 “SEC. 1509. The Secretary is hereby authorized to  
21 make such rules and regulations as may be necessary to  
22 carry out the provisions of this title. The Secretary shall  
23 insofar as practicable consult with representatives of the  
24 State unemployment compensation agencies before pre-

1 scribing any rules or regulations which may affect the  
2 performance by such agencies of functions pursuant to agree-  
3 ments under this title.

4 "APPROPRIATIONS

5 "SEC. 1510. There are hereby authorized to be appro-  
6 priated out of any moneys not otherwise appropriated such  
7 sums as are necessary to carry out the provisions of this  
8 title."

9 SEC. 2. Section 1606 (e) and section 1607 (m) of the  
10 Federal Unemployment Tax Act are each hereby amended  
11 by inserting after "December 31, 1945," the following:  
12 "and prior to January 1, 1954,".

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83d CONGRESS  
1st Session

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By Mr. MASON

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